

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

RECORDATION NO. 20935-B FILED

OCT 14 '97 1-42 PM

Part 1
October 14, 1997

Charter Party
1
Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies each of the following three documents: (1) a Master Equipment Lease Agreement, (2) an Equipment Lease Schedule for Master Equipment Lease Agreement and (3) a Bill of Sale, each dated as of October 14, 1997, the first being a primary document and others all being secondary documents related thereto, as defined in the Board's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The names and addressees of the parties to the enclosed documents are:

Master Equipment Lease Agreement
and
Equipment Lease Schedule

Lessor: Heller Financial Leasing, Inc.
500 West Monroe Street
Chicago, Illinois 60661

Lessee: Bessemer and Lake Erie Railroad Company
135 Jamison Lane
Monroeville, Pennsylvania 15146

Mr. Vernon A. Williams
October 14, 1997
Page 2

Bill of Sale

Seller: Consolidated Rail Corporation
2001 Market Street
Philadelphia, Pennsylvania 19101

Buyer: Heller Financial Leasing, Inc.
500 West Monroe Street
Chicago, Illinois 60661

A description of the railroad equipment covered by the enclosed document is:

four (4) locomotives bearing CR reporting marks and road numbers 9512,
9516, 9542 and 9556

Also enclosed is a check in the amount of \$72.00 payable to the order of the
Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

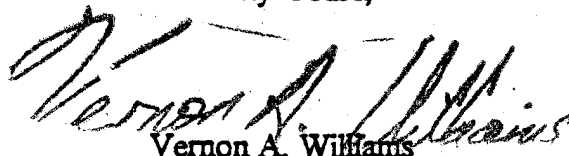
Robert W. Alvord
Alvord and Alvord
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

DATE: 10/14/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 10/14/97 at 1:42PM, and
assigned recordation number(s). 20935-B.

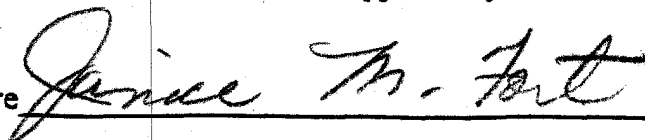
Sincerely Yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$24.00 The amount indicated at the left has been received in payment of a fee in
connection with a document filed on the date shown. This receipt is issued for the amount paid.
In the event of an error or any questions concerning this fee, you will receive a notification after
the Surface Transportation Board has an opportunity to examine your document.

Signature



OCT 14 '97

1-42 PM

To the Sales Order number 7-00-5091 dated September 22, 1997, between Consolidated Rail Corporation and Bessemer and Lake Erie Railroad Company

BILL OF SALE

This bill of sale ("Bill of Sale") is made this 14th day of October 1997, by Consolidated Rail Corporation, a Pennsylvania Corporation, ("Seller") in favor of Heller Financial Leasing, Inc., a Delaware Corporation ("Buyer")

RECITALS

WHEREAS, Seller and Bessemer and Lake Erie Railroad Company, a Delaware Corporation, entered into an agreement of sale dated as of September 22, 1997, Sales Order number 7-00-5091, hereinafter referred to as (the "Agreement") for the sale of the four (4) units described in the Agreement, attached hereto (the "Units").

WHEREAS, by Assignment dated October 14, 1997, the Bessemer and Lake Erie Railroad Company assigned all of its right, title and interest in and to the Agreement to Buyer.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, Seller agrees as follows:

1. Sale of Unit. Subject to the terms, conditions and covenants set forth in the Agreement, Seller does hereby sell, convey, assign and transfer to Buyer, its affiliates, successors and assigns the Units and all such rights and benefits as Seller may now or hereafter have under any warranty, guarantee or indemnity with respect to the Units against any manufacturer or supplier thereof or any part thereof, or any contractor or subcontractor of any such manufacturer or supplier.

2. Bringdown. Seller hereby certifies that all of its representations and warranties contained in the Agreement are true and correct at and as of the date hereof with the same effect as if such representations and warranties had been made as of the date hereof.

And the Seller hereby warrants unto the Buyer, its successors and assigns that, as of the date hereof, the Seller has legal title to the aforesaid property and good and lawful right to dispose of said property, and the Seller, for itself, its successors and assigns, covenants and warrants that the aforesaid property is free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming or laying claim to the same, and as of the date hereof, Seller does for itself, its successors and assigns, covenant and agree with Buyer, its successors and assigns to defend the title of Buyer, its successors and assigns, to the Units against any person claiming or laying claim to the same. Seller hereby agrees to indemnify and hold Buyer harmless from and against any loss or expense (including attorneys' fees) arising from breach of the foregoing warranty. Seller's foregoing warranty of title shall survive the date of this Bill of Sale.

Notwithstanding the foregoing, Seller, its successors and assigns, shall not be responsible or liable for any liens, security interests or other encumbrances, with respect to the Units, arising or accruing after the date of this Bill of Sale, or arising or accruing by or through the actions of Buyer, its successors and assigns.

3. Further Assurances. Seller agrees to execute and deliver such additional instruments and to take such other action as Buyer may reasonably request in order to more effectively carry out the transaction contemplated by the Bill of Sale.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed by its officer thereunto duly authorized on the day and year first above written.

CONSOLIDATED RAIL CORPORATION

By: 

Print Name: L. P. Whitehead

Title: Manager - Investment Recovery

Date: October 14, 1997

COMMONWEALTH OF PENNSYLVANIA)

) ss.

COUNTY OF PHILADELPHIA)

The foregoing instrument was acknowledged before me

this 14th day of October, 1997, by

L. P. Whitehead, the Manager - Investment Recovery

of **Consolidated Rail Corporation**, a Pennsylvania corporation,

on behalf of the corporation.

Elizabeth Gallagher

Notary Public

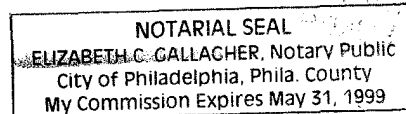


EXHIBIT A

CUSTOMER SUPPORT DEPARTMENT
CONSOLIDATED RAIL CORPORATION
TWO COMMERCE SQUARE
PHILADELPHIA, PA 19101-1407

date
9-22-97

SOLD TO:

BESSEMER AND LAKE ERIE RAILROAD COMPANY
C/O THE TRANSTAR COMPANIES
135 JAMISON LANE
P.O. BOX 68
MONROEVILLE, PA 15146

sales order no.
7-00-5091

Following material will be shipped as shown in accordance with purchaser's order number:

quantity		description of material	price
number	unit		
4	EA	SECOND HAND, LOCOMOTIVES IN "AS-IS" CONDITION AS FURTHER DELINEATED ON ATTACHMENT "A"	AS SHOWN ON ATTACHMENT "B"
		LKE I.D. NO. EXC0597	

to be shipped by:

JOHN BALL
ROOM 200 G.O.B, 200 FOURTH AVE.
JUNIATA, ALTOONA, PA 16601-6702

terms of payment:

REMIT PER TERMS AS LISTED
ON ATTACHMENT "B"

FROM:

ALTOONA, PA

F.O.B. CONSOLIDATED RAIL CORP:
CONRAIL TRACKS

FREIGHT TERMS: FREE ON CONRAIL, COLLECT FROM PURCHASER BEYOND CONRAIL

SHIPPER DESIGNATED ABOVE IS RESPONSIBLE TO PREPARE AND FORWARD MP 301 IMMEDIATELY AFTER CAR IS SHIPPED AND/OR REMOVED FROM THE PREMISES. COPY TO BE FORWARDED TO: R. STIRBYS, RM 15C, TWO COMMERCE SQUARE, PHILA., PA.

CC: J. CRAIG C-15C R. STIRBYS C-15C

TO THE PURCHASER:

"THIS IS YOUR COPY OF THE ORDER ISSUED FOR THE SALE TO YOU OF THE MATERIAL DESCRIBED ABOVE. UNLESS PREVIOUSLY CONFIRMED BY FORM PUR 11, THIS SALE IS SUBJECT TO FINAL AVAILABILITY."

CORRESPONDENCE CONCERNING THIS ORDER AND SHIPMENTS OR BILLING IN CONNECTION THEREWITH SHOULD BE DIRECTED TO SALES MANAGER-INVESTMENT RECOVERY THE PURCHASER UNDERSTANDS AND AGREES THAT THE SALE OF THE MATERIAL OR EQUIPMENT DESCRIBED ABOVE IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF.

ADDITIONAL TERMS AND CONDITIONS ATTACHED

☒ YES ☐ NO

BY

R. P. Whitehead
SALES MANAGER

TERMS AND CONDITIONS OF SALE

INSURANCE PROVISION:

If it becomes necessary for Buyer either through itself, its employees or agents to enter upon the premises or property of Seller (CONSOLIDATED RAIL CORPORATION), in order to construct, erect, inspect or remove hereunder, Buyer, by acceptance of this order hereby covenants and agrees to assume the risk of the premises of and the activities conducted thereon by Seller and to take all necessary precautions to avoid injuries, deaths and damages to any person or property (including also officers, employees, agents and property of either Seller or Buyer) resulting from any action or operations under the contract or in connection with the work or presence hereunder of Buyer, its officers, employees or agents upon the premises of Seller, whosoever caused; and in respect thereto covenants and agrees to protect, indemnify and save harmless Seller against all claims, actions, damages and expenses arising by reason of any such happening or occurrence.

Buyer further covenants and agrees to procure, before entering upon the premises of Seller, and carry Workmen's Compensation Insurance, Public Liability and Property Damage Insurance, with limits of not less than \$500,000 Bodily Injury and \$200,000 Property Damage, including Contractual Liability with endorsement showing specific reference to Seller's order as issued. If requested by Seller, evidence of insurance, satisfactory to Seller, shall be submitted to Seller for approval prior to entry upon premises of Seller.

Buyer shall comply with all applicable laws, ordinances, rules and regulations of public authority and shall also protect, indemnify and save harmless Seller from any and all fines, penalties, loss or damage to which Seller may be subjected or held liable for, by reason of any failure of Buyer, its employees or agents to so comply.

WHITELINED CARS:

Cars shall not be placed in interchange service unless they have been modified to meet mechanical requirements for rebuilt cars as listed in Paragraph 7, Form "C" of Rule 88 of the Interchange Rules, as adopted and approved by the Transportation and Mechanical Divisions of the Association of American Railroads.

WEIGHT TICKETS:

Buyer at his expense shall furnish to Seller certified scale weight tickets showing gross, tare and net weights for each load of material removed. Scale tickets are to be sent to: SALES MANAGER - ASSET DISPOSITION.

WARRANTY, LIMITATION OF LIABILITY:

Seller makes no warranty of any kind, express or implied, concerning the character or condition of the equipment, including (but not limited to) warranties in respect to the safety or structural integrity of the equipment, its similarity to other equipment, its conformity to applicable standards, safety codes, laws or regulations, its merchantability, or its fitness, suitability or efficiency for any particular purpose. Purchaser assumes and shall release, defend, indemnify, protect and save harmless Seller from and against all loss, damage, cost, expense, claims and action based on or in connection with property loss, out of the condition, character, use, operation, or maintenance of the equipment or predicated in any manner upon Seller's past ownership thereof, regardless of whether or not such loss, damage, injury or death is attributable to the fault or negligence of Seller. In no event shall seller be liable for any consequential or special damages.

ENTIRE AGREEMENT:

All shipments shall be deemed to have been made pursuant to these terms and conditions of sale. No claimed modification, termination or waiver of any provision of this sales transaction shall be valid unless in writing signed by Seller's duly authorized representative.

Exhibit A

BESSEMER & LAKE ERIE RAILROAD

<u>Model Type</u>	<u>Unit No.</u>	<u>Sale Price</u>	<u>LKE</u>	<u>Where Is</u>
SW1500	CR9512	200,000	Yes	No
SW1500	CR9516	200,000	Yes	Yes
SW1500	CR9542	200,000	Yes	No
SW1500	CR9556	200,000	Yes	No
total	4 units	\$ 800,000		